

Appendix

The Facts For Example 1 Are As Follows:

- This is a taxable renovation to commercial property.
- Tax is paid by the contractors on materials at the time of purchase. (All materials for this job are purchased by the subcontractors.)
- Subcontractors accept resale certificates for the service portion of the bill from the general contractor.
- The general contractor will charge the property owner 6% tax on the service portion of the contract.

SUBCONTRACTOR:

"THE CARPENTER" BILLS THE GENERAL

\$70,000.00

materials purchased \$47,169.81
tax paid by sub \$ 2,830.19
total materials cost \$50,000.00
sub's charge for service \$20,000.00
total \$70,000.00

SUBCONTRACTOR:

"THE PLUMBER" BILLS THE GENERAL **\$10,000.00**

materials purchased \$ 4,716.98
tax paid by sub \$ 283.02
total materials cost \$ 5,000.00
sub's charge for service \$ 5,000.00
total \$10,000.00

Issues Resale Certificate for service portion of bill

Issues Resale Certificate for service portion of bill

SUBCONTRACTOR:

"THE ELECTRICIAN" BILLS THE GENERAL **\$10,000.00**

materials purchased \$ 4,716.98
tax paid by sub \$ 283.02
total materials cost \$ 5,000.00
sub's charge for service \$ 5,000.00
total \$10,000.00

Issues Resale Certificate for service portion of bill

EXAMPLE 1

General contractor bills owner by separately stating the charges for taxable service and the tax thereon. Resale certificates issued by general contractor to subcontractors for taxable services.

BREAKDOWN OF GENERAL CONTRACTOR'S BOOKS:

MATERIALS:

| | | |
|-------------|--------------|------------------|
| Plumber | \$ 5,000.00* | * Includes tax |
| Carpenter | \$50,000.00* | paid by the |
| Electrician | \$ 5,000.00* | subcontractors |
| Total | \$60,000.00 | to their vendors |

SERVICE**:

| | |
|----------------------|-------------|
| Plumber | \$ 5,000.00 |
| Carpenter | \$20,000.00 |
| Electrician | \$ 5,000.00 |
| General Contractor | \$10,000.00 |
| Total Service | \$40,000.00 |
| Sales Tax on Service | \$ 2,400.00 |

Grand Total: \$102,400.00

** NOTE: See

Page 13 for
definition of
SERVICE.

GENERAL CONTRACTOR Bills Property Owner

\$100,000.00 plus tax

| | |
|---------------------|--|
| \$ 60,000.00 | materials (tax paid by subcontractors) |
| \$ 40,000.00 | service |
| \$ 2,400.00 | tax on service |
| <u>\$102,400.00</u> | Total billed to property owner |

SALES AND USE TAX RETURN
FORM OS-114

General Instructions

For Department Use Only

1. A RETURN MUST BE FILED even if no tax is due or no sales were made.
2. DUE DATE:
Return is due one month after period ending. Return must be postmarked on or before the due date.
3. DEDUCTIONS: Fill out reverse side of this form if you claim deductions.
4. INTEREST: For late payment - 1% of tax due per month from due date.
5. PENALTY: For failure to pay tax when due - 15% of tax due or \$50, whichever is greater.
6. NEW OWNERS: Do not use previous owner's form to file your return. Any change in ownership requires a new permit.
7. Make check payable to: **COMMISSIONER OF REVENUE SERVICES.**
(Be sure to include the Tax Registration Number on your check.)
FOR COMPLETE INSTRUCTIONS SEE FORM O-88.

For Period Ending

Connecticut Tax Registration Number

Please enter any changes to your
name or address below.

New Trade Name:

New Mailing Address:

☐ Please check if change applies to both mailing and
physical address.

New Physical Location (P.O. Box Not Acceptable)

EXAMPLE 1

(GENERAL CONTRACTOR'S RETURN)

| | | | | |
|----|---|---|----|------------|
| 1 | Gross receipts from sales of goods | < | | |
| 2 | Gross receipts from leases and rentals | < | 2 | |
| 3 | Gross receipts from labor and services | < | | 100,000 00 |
| 4 | Purchases of goods by your business subject to use tax | < | 4 | |
| 5 | Leases and rentals by your business subject to use tax | < | 5 | |
| 6 | Purchases of services by your business subject to use tax | < | 6 | |
| 7 | Total: Add Lines 1 through 6 | < | 7 | 100,000 00 |
| 8 | Total deductions: Please complete reverse side, enter amount from Total Deductions here. | < | 8 | 60,000 00 |
| 9 | Balance subject to tax: Subtract Line 8 from Line 7, but not less than zero | < | 9 | 40,000 00 |
| 10 | Gross amount of tax due: Multiply Line 9 by 6% (.06) | < | 10 | 2,400 00 |
| 11 | Credits: See Form O-88, instructions | < | 11 | |
| 12 | Net amount of tax due: Subtract Line 11 from Line 10 | < | 12 | 2,400 00 |
| 13 | For late payment of tax: See General Instructions Interest < _____ + Penalty < _____ = | < | 13 | |
| 14 | Total amount due: Add Line 12 and Line 13 | < | 14 | 2,400 00 |

Please Complete Items Below

If this return is not for a full period, enter dates covered: From: To:

If this business has changed ownership since your last return, enter name and address of new owners and date sold:
Name: Address: Date Sold:

If this is your first return, please enter business starting date: If you are out of business, please enter last business date:

I declare under the penalty of false statement that I have examined this return and to the best of my knowledge and belief, it is true, complete and correct.
(The penalty for false statement is imprisonment not to exceed one year or a fine not to exceed two thousand dollars, or both.)

| | | |
|---------------------------|-------------------------|------|
| Taxpayer's Signature | Title | Date |
| Paid Preparer's Signature | Paid Preparer's Address | Date |

Deductible Items at 6% Tax Rate

Missing line numbers reflect changes in tax exemptions

| | | | | | |
|---|--|---|----|---------------|-----------|
| 15 | Sales for resale - sales of goods | < | 15 | | |
| 16 | Sales for resale - leases and rentals | < | 16 | | |
| 17 | Sales for resale - labor and services | < | 17 | | |
| 18 | All newspapers and subscription sales of magazines and puzzle magazines | < | 18 | | |
| 19 | Trucks with gross vehicle weight rating over 26,000 lbs. or used exclusively for carriage of interstate freight | < | 19 | | |
| 21 | Food for human consumption, sold through vending machines and any items purchased with food stamps | < | 21 | | |
| 23 | Fuel for motor vehicles | < | 23 | | |
| 24 | Sales of electricity, gas and heating fuel for residential dwellings FOR UTILITY AND | < | 24 | | |
| 25 | Sales of electricity - \$150 monthly charge per business HEATING FUEL COMPANIES | < | 25 | | |
| 26 | Sales of electricity, gas and heating fuel for manufacturing or agricultural production ONLY | < | 26 | | |
| 27 | Aviation fuel | < | 27 | | |
| 29 | Tangible personal property to persons issued Farmer Tax Exemption Permit | < | 29 | | |
| 30 | Machinery, its replacement, repair, component and enhancement parts, materials, tools and fuel for manufacturing | < | 30 | | |
| 31 | Machinery, materials, tools and equipment used in commercial printing process or publishing | < | 31 | | |
| 32 | Machinery, materials, tools and fuel for commercial fishing | < | 32 | | |
| 33 | Out-of-state - sales of goods | < | 33 | | |
| 34 | Out-of-state - leases and rentals | < | 34 | | |
| 35 | Out-of-state - labor and services | < | 35 | | |
| 36 | Motor vehicles or vessels purchased by nonresidents (Attach CERT-125 to OS-114) | < | 36 | | |
| 37 | Prescription medicines - sales of goods | < | 37 | | |
| 38 | Nonprescription medicines and diabetic equipment - sales of goods | < | 38 | | |
| 39 | Charitable or religious organizations - sales of goods | < | 39 | | |
| 40 | Charitable or religious organizations - leases and rentals | < | 40 | | |
| 41 | Charitable or religious organizations - labor and services | < | 41 | | |
| 42 | Federal, Connecticut or municipal agencies - sales of goods | < | 42 | | |
| 43 | Federal, Connecticut or municipal agencies - leases and rentals | < | 43 | | |
| 44 | Federal, Connecticut or municipal agencies - labor and services | < | 44 | | |
| 45 | Items certified for air or water pollution abatement - sales, leases and rentals of goods | < | 45 | | |
| 47 | Nontaxable labor and services | < | 47 | | |
| 48 | Services between wholly owned business entities (See instructions, Form O-88) | < | 48 | | |
| 50 | Trade-ins of all like-kind tangible personal property (See instructions, Form O-88) | < | 50 | | |
| 52 | Taxed goods returned within 90 days at 6% (.06) rate | < | 52 | | |
| 56 | Oxygen, blood plasma, prostheses, etc. sales, leases, rentals or repair services of goods | < | 56 | | |
| 58 | Printed material for future delivery out of state | < | 58 | | |
| 59 | Articles of clothing or footwear under \$50 | < | 59 | | |
| 60 | Material and components for noncommercial production of clothing | < | 60 | | |
| 63 | Funeral expenses | < | 63 | | |
| 69 | Repair services, repair and maintenance parts for aircraft and certain aircraft (See instructions, Form O-88) | < | 69 | | |
| 71 | Certain machinery under the Manufacturing Recovery Act of 1992 (See instructions, Form O-88) | < | 71 | | |
| 72 | Machinery, equipment, tools, supplies and fuel used in the biotechnology industry | < | 72 | | |
| 73 | Repair and maintenance services and fabrication labor to vessels (See instructions, Form O-88) | < | 73 | | |
| 74 | Computer and data processing services (See instructions, Form O-88) | < | 74 | | |
| 75 | Renovation and repair services to residential real property (See instructions, Form O-88) | < | 75 | | |
| 76 | Patient care services by hospitals (See instructions, Form O-88) | < | 76 | | |
| 77 | Sales to direct payment permit holders | < | 77 | | |
| A | Other Adjustments - sales of goods (Describe: Materials consumed including tax paid) | < | A | 60,000 | 00 |
| B | Other Adjustments - leases and rentals (Describe:) | < | B | | |
| C | Other Adjustments - labor and services (Describe:) | < | C | | |
| NOTE: Line 20 is now part of Line 19; Line 22 is now part of Line 21; Line 46 is now part of Line 45; | | | | | |
| Line 49 is now part of Line 36; Line 57 is now part of Line 56; Line 64 is now part of Line 30. | | | | | |
| Computer and data processing services and renovation and repair services to residential real property are being phased out. (See instructions, Form O-88) | | | | | |
| TOTAL DEDUCTIONS (Enter here and on Line 8 on the front of this return) | | | | 60,000 | 00 |

The Facts For Example 2 Are As Follows:

- This is a taxable renovation to commercial property.
- Tax is paid by the contractors on materials at the time of purchase. (All materials for this job are purchased by the subcontractors.)
- No resale certificates are issued to or accepted by the subcontractors.
- The general contractor will charge 6% tax on only his charge for service because he already paid tax on the subcontractors' services.

SUBCONTRACTOR:

"THE PLUMBER" BILLS THE GENERAL

\$10,000.00 Plus Tax

Breakdown of subcontractor's books:

| | |
|--------------------------|-------------|
| materials purchased | \$ 4,716.98 |
| tax paid by sub | \$ 283.02 |
| total materials cost | \$ 5,000.00 |
| sub's charge for service | \$ 5,000.00 |
| 6% tax on service | \$ 300.00 |
| Total | \$10,300.00 |

BREAKDOWN OF GENERAL CONTRACTOR'S BOOKS:

CONTRACT PRICE : \$100,000.00

SUBCONTRACTS:

| | |
|----------------|--------------|
| Plumber | \$ 10,300.00 |
| Carpenter | \$ 71,200.00 |
| Electrician | \$ 10,300.00 |
| Total sub cost | \$ 91,800.00 |

General Contractor's Service*: \$ 8,200.00

Sales Tax : \$ 492.00

Grand Total: \$100,492.00

* NOTE: See Page 13 for definition of SERVICE.

SUBCONTRACTOR:

"THE CARPENTER" BILLS THE GENERAL

\$70,000.00 Plus Tax

Breakdown of subcontractor's books:

| | |
|--------------------------|-------------|
| materials purchased | \$47,169.81 |
| tax paid by sub | \$ 2,830.19 |
| total materials cost | \$50,000.00 |
| sub's charge for service | \$20,000.00 |
| 6% tax on service | \$ 1,200.00 |
| Total | \$71,200.00 |

Subcontractor collects tax from General
Contractor on the service portion of the bill

Subcontractor collects tax from General
Contractor on the service portion of the bill

GENERAL CONTRACTOR Bills Property Owner

\$100,000.00 plus tax

| | |
|--------------|--------------------------------------|
| \$ 60,000.00 | subcontractor's materials (tax paid) |
| \$ 31,800.00 | subcontractor's service (tax paid) |
| \$ 8,200.00 | general contractor's service |
| \$ 492.00 | tax on general contractor's service |
| \$100,492.00 | Total bill to property owner |

EXAMPLE 2

General contractor bills owner by separately stating the charges for taxable service and the tax thereon. No resale certificates issued by general contractor to subcontractors for taxable services.

SUBCONTRACTOR:

"THE ELECTRICIAN" BILLS THE GENERAL

\$10,000.00 Plus Tax

Breakdown of subcontractor's books:

| | |
|--------------------------|-------------|
| materials purchased | \$ 4,716.98 |
| tax paid by sub | \$ 283.02 |
| total materials cost | \$ 5,000.00 |
| sub's charge for service | \$ 5,000.00 |
| 6% tax on service | \$ 300.00 |
| Total | \$10,300.00 |

Subcontractor collects tax from General
Contractor on the service portion of the bill

**SALES AND USE TAX RETURN
FORM OS-114**

General Instructions

1. A RETURN MUST BE FILED even if no tax is due or no sales were made.
2. DUE DATE:
Return is due one month after period ending. Return must be postmarked on or before the due date.
3. DEDUCTIONS: Fill out reverse side of this form if you claim deductions.
4. INTEREST: For late payment - 1% of tax due per month from due date.
5. PENALTY: For failure to pay tax when due - 15% of tax due or \$50, whichever is greater.
6. NEW OWNERS: Do not use previous owner's form to file your return. Any change in ownership requires a new permit.
7. Make check payable to: **COMMISSIONER OF REVENUE SERVICES.**
(Be sure to include the Tax Registration Number on your check.)
FOR COMPLETE INSTRUCTIONS SEE FORM O-88.

For Department Use Only

For Period Ending

Connecticut Tax Registration Number

Please enter any changes to your
name or address below.

New Trade Name:

New Mailing Address:

☐ Please check if change applies to both mailing and
physical address.

New Physical Location (P.O. Box Not Acceptable)

EXAMPLE 2

(GENERAL CONTRACTOR'S RETURN)

| | | | | | |
|----|--|---|----|---------|----|
| 1 | Gross receipts from sales of goods | < | 1 | | |
| 2 | Gross receipts from leases and rentals | < | 2 | | |
| 3 | Gross receipts from labor and services | < | 3 | 100,000 | 00 |
| 4 | Purchases of goods by your business subject to use tax | < | 4 | | |
| 5 | Leases and rentals by your business subject to use tax | < | 5 | | |
| 6 | Purchases of services by your business subject to use tax | < | 6 | | |
| 7 | Total: Add Lines 1 through 6 | < | 7 | 100,000 | 00 |
| 8 | Total deductions: <i>Please complete reverse side and enter amount from Total Deductions here.</i> | < | 8 | 91,800 | 00 |
| 9 | Balance subject to tax: <i>Subtract Line 8 from Line 7, but not less than zero</i> | < | 9 | 8,200 | 00 |
| 10 | Gross amount of tax due: <i>Multiply Line 9 by .06</i> | < | 10 | 492 | 00 |
| 11 | Credits: <i>See Form O-88 Instructions</i> | < | 11 | | |
| 12 | Net amount of tax due: <i>Subtract Line 11 from Line 10</i> | < | 12 | 492 | 00 |
| 13 | For late payment of tax: <i>See General Instructions</i> Interest < _____ + Penalty < _____ = | < | 13 | | |
| 14 | Total amount due: <i>Add Line 12 and Line 13</i> | < | 14 | 492 | 00 |

Please Complete Items Below

| | | |
|--|----------------|--|
| If this return is not for a full period, enter dates covered: From: _____ To: _____ | | |
| If this business has changed ownership since your last return, enter name and address of new owners and date sold: | | |
| Name: _____ | Address: _____ | Date Sold: _____ |
| If this is your first return, please enter business starting date: _____ | | If you are out of business, please enter last business date: _____ |
| I declare under the penalty of false statement that I have examined this return and to the best of my knowledge and belief, it is true, complete and correct. (The penalty for false statement is imprisonment not to exceed one year or a fine not to exceed two thousand dollars, or both.) | | |
| Taxpayer's Signature _____ | | Title _____ Date _____ |
| Paid Preparer's Signature _____ | | Paid Preparer's Address _____ Date _____ |

Missing line numbers reflect changes in tax exemptions

OS-114 (Back) REV. 7/99

The Facts For Example 3

Are As Follows:

- This is a taxable renovation to commercial property.
- Tax is paid by the contractors on materials at the time of purchase. (All materials for this job are purchased by the subcontractors.)
- Subcontractors accept resale certificates from the general contractor.
- The general contractor bills the owner on a "sales tax included" basis.
- The general contractor will determine the gross receipts from taxable service by multiplying the total charges for taxable service by .943. The tax is determined by subtracting the gross receipts from the total charges for taxable service.

SUBCONTRACTOR:

"THE CARPENTER" BILLS THE GENERAL

\$70,000.00

materials purchased \$47,169.81
tax paid by sub \$ 2,830.19
total materials cost \$50,000.00
sub's charge for service \$20,000.00
total \$70,000.00

SUBCONTRACTOR:

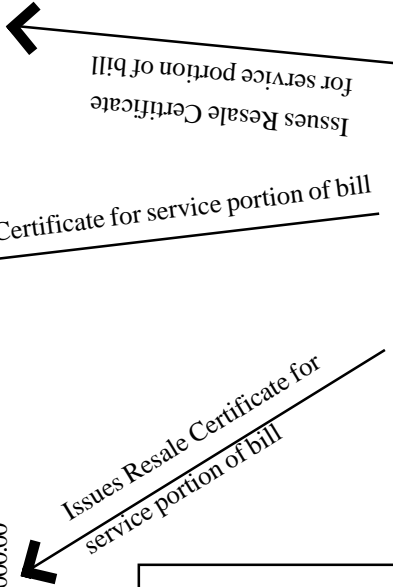
"THE PLUMBER" BILLS THE GENERAL **\$10,000.00**

materials purchased \$4,716.98
tax paid by sub \$ 283.02
total materials cost \$ 5,000.00
sub's charge for service \$ 5,000.00
total \$10,000.00

SUBCONTRACTOR:

"THE ELECTRICIAN" BILLS THE GENERAL **\$10,000.00**

materials purchased \$4,716.98
tax paid by sub \$ 283.02
total materials cost \$ 5,000.00
sub's charge for service \$ 5,000.00
total \$10,000.00



EXAMPLE 3

General contractor bills owner on a "tax included" basis. Resale certificates issued by general contractor to subcontractors for taxable services.

BREAKDOWN OF GENERAL CONTRACTOR'S BOOKS:

| | |
|-------------------|--------------|
| MATERIALS: | |
| Plumber | \$ 5,000.00* |
| Carpenter | \$50,000.00* |
| Electrician | \$ 5,000.00* |
| Total | \$60,000.00* |

* Includes tax paid by the subcontractors to their vendors

SERVICE**:

| | |
|---------------------------|--------------------------|
| Plumber | \$ 5,000.00 |
| Carpenter | \$20,000.00 |
| Electrician | \$ 5,000.00 |
| General Contractor | \$10,000.00 |
| Total Charges For Service | \$40,000.00 tax included |
| The Alternative Factor x | .943 |
| Total Charge For Service | \$37,720.00 without tax |
| Sales Tax | \$ 2,280.00 |

Grand Total: \$100,000.00

** NOTE: See Page 13 for definition of **SERVICE.**

GENERAL CONTRACTOR Bills Property Owner

\$100,000.00 tax included

SALES AND USE TAX RETURN
FORM OS-114

General Instructions

1. A RETURN MUST BE FILED even if no tax is due or no sales were made.
2. DUE DATE:
Return is due one month after period ending. Return must be postmarked on or before the due date.
3. DEDUCTIONS: Fill out reverse side of this form if you claim deductions.
4. INTEREST: For late payment - 1% of tax due per month from due date.
5. PENALTY: For failure to pay tax when due - 15% of tax due or \$50, whichever is greater.
6. NEW OWNERS: Do not use previous owner's form to file your return. Any change in ownership requires a new permit.
7. Make check payable to: **COMMISSIONER OF REVENUE SERVICES.**
(Be sure to include the Tax Registration Number on your check.)
FOR COMPLETE INSTRUCTIONS SEE FORM O-88.

For Period Ending

Connecticut Tax Registration Number

For Department Use Only

Please enter any changes to your
name or address below.

New Trade Name:

New Mailing Address:

☐ Please check if change applies to both mailing and
physical address.

New Physical Location (P.O. Box Not Acceptable)

EXAMPLE 3

(GENERAL CONTRACTOR'S RETURN)

| | | | | | |
|----|--|---|----|--------|----|
| 1 | Gross receipts from sales of goods | < | 1 | | |
| 2 | Gross receipts from leases and rentals | < | 2 | | |
| 3 | Gross receipts from labor and services | < | 3 | 97,720 | 00 |
| 4 | Purchases of goods by your business subject to use tax | < | 4 | | |
| 5 | Leases and rentals by your business subject to use tax | < | 5 | | |
| 6 | Purchases of services by your business subject to use tax | < | 6 | | |
| 7 | Total: Add Lines 1 through 6 | < | 7 | 97,720 | 00 |
| 8 | Total deductions: <i>Please complete reverse side and enter amount from Total Deductions here.</i> | < | 8 | 60,000 | 00 |
| 9 | Balance subject to tax: <i>Subtract Line 8 from Line 7, but not less than zero</i> | < | 9 | 37,720 | 00 |
| 10 | Gross amount of tax due: <i>Multiply Line 9 by 6% (.06)</i> | < | 10 | 2,280 | 00 |
| 11 | Credits: <i>See Form O-88 for instructions</i> | < | 11 | | |
| 12 | Net amount of tax due: <i>Subtract Line 11 from Line 10</i> | < | 12 | 2,280 | 00 |
| 13 | For late payment of tax: <i>See General Instructions</i> Interest < _____ + Penalty < _____ = | < | 13 | | |
| 14 | Total amount due: <i>Add Line 12 and Line 13</i> | < | 14 | 2,280 | 00 |

Please Complete Items Below

If this return is not for a full period, enter dates covered: From:

To:

If this business has changed ownership since your last return, enter name and address of new owners and date sold:

Name:

Address:

Date Sold:

If this is your first return, please enter business starting date:

If you are out of business, please enter last business date:

I declare under the penalty of false statement that I have examined this return and to the best of my knowledge and belief, it is true, complete and correct.
(The penalty for false statement is imprisonment not to exceed one year or a fine not to exceed two thousand dollars, or both.)

Taxpayer's Signature

Title

Date

Paid Preparer's Signature

Paid Preparer's Address

Date

Deductible Items at 6% Tax Rate

Missing line numbers reflect changes in tax exemptions

| | | | | | |
|----|---|------------------------|----|---------------|-----------|
| 15 | Sales for resale - sales of goods | < | 15 | | |
| 16 | Sales for resale - leases and rentals | < | 16 | | |
| 17 | Sales for resale - labor and services | < | 17 | | |
| 18 | All newspapers and subscription sales of magazines and puzzle magazines | < | 18 | | |
| 19 | Trucks with gross vehicle weight rating over 26,000 lbs. or used exclusively for carriage of interstate freight | < | 19 | | |
| 21 | Food for human consumption, sold through vending machines and any items purchased with food stamps | < | 21 | | |
| 23 | Fuel for motor vehicles | < | 23 | | |
| 24 | Sales of electricity, gas and heating fuel for residential dwellings | FOR UTILITY AND | 24 | | |
| 25 | Sales of electricity - \$150 monthly charge per business | HEATING FUEL COMPANIES | 25 | | |
| 26 | Sales of electricity, gas and heating fuel for manufacturing or agricultural production | ONLY | 26 | | |
| 27 | Aviation fuel | < | 27 | | |
| 29 | Tangible personal property to persons issued Farmer Tax Exemption Permit | < | 29 | | |
| 30 | Machinery, its replacement, repair, component and enhancement parts, materials, tools and fuel for manufacturing | < | 30 | | |
| 31 | Machinery, materials, tools and equipment used in commercial printing process or publishing | < | 31 | | |
| 32 | Machinery, materials, tools and fuel for commercial fishing | < | 32 | | |
| 33 | Out-of-state - sales of goods | < | 33 | | |
| 34 | Out-of-state - leases and rentals | < | 34 | | |
| 35 | Out-of-state - labor and services | < | 35 | | |
| 36 | Motor vehicles or vessels purchased by nonresidents (Attach CERT-125 to OS-114) | < | 36 | | |
| 37 | Prescription medicines - sales of goods | < | 37 | | |
| 38 | Nonprescription medicines and diabetic equipment - sales of goods | < | 38 | | |
| 39 | Charitable or religious organizations - sales of goods | < | 39 | | |
| 40 | Charitable or religious organizations - leases and rentals | < | 40 | | |
| 41 | Charitable or religious organizations - labor and services | < | 41 | | |
| 42 | Federal, Connecticut or municipal agencies - sales of goods | < | 42 | | |
| 43 | Federal, Connecticut or municipal agencies - leases and rentals | < | 43 | | |
| 44 | Federal, Connecticut or municipal agencies - labor and services | < | 44 | | |
| 45 | Items certified for air or water pollution abatement - sales, leases and rentals of goods | < | 45 | | |
| 47 | Nontaxable labor and services | < | 47 | | |
| 48 | Services between wholly owned business entities (See instructions, Form O-88) | < | 48 | | |
| 50 | Trade-ins of all like-kind tangible personal property (See instructions, Form O-88) | < | 50 | | |
| 52 | Taxed goods returned within 90 days at 6% (.06) rate | < | 52 | | |
| 56 | Oxygen, blood plasma, prostheses, etc. - sales, leases, rentals or repair services of goods | < | 56 | | |
| 58 | Printed material for future delivery out of state | < | 58 | | |
| 59 | Articles of clothing or footwear under \$50 | < | 59 | | |
| 60 | Material and components for noncommercial production of clothing | < | 60 | | |
| 63 | Funeral expenses | < | 63 | | |
| 69 | Repair services, repair and replacement parts for aircraft and certain aircraft (See instructions, Form O-88) | < | 69 | | |
| 71 | Certain machinery under the Manufacturing Recovery Act of 1992 (See instructions, Form O-88) | < | 71 | | |
| 72 | Machinery, equipment, tools, supplies and fuel used in the biotechnology industry | < | 72 | | |
| 73 | Repair and maintenance services and fabrication labor to vessels (See instructions, Form O-88) | < | 73 | | |
| 74 | Computer and data processing services (See instructions, Form O-88) | < | 74 | | |
| 75 | Renovation and repair services to residential real property (See instructions, Form O-88) | < | 75 | | |
| 76 | Patient care services by hospitals (See instructions, Form O-88) | < | 76 | | |
| 77 | Sales to direct payment permit holders | < | 77 | | |
| A | Other Adjustments - sales of goods (Describe: Materials consumed including tax paid) | < | A | 60,000 | 00 |
| B | Other Adjustments - leases and rentals (Describe:) | < | B | | |
| C | Other Adjustments - labor and services (Describe:) | < | C | | |
| | NOTE: Line 20 is now part of Line 19; Line 22 is now part of Line 21; Line 46 is now part of Line 45; Line 49 is now part of Line 36; Line 57 is now part of Line 56; Line 64 is now part of Line 30. | | | | |
| | Computer and data processing services and renovation and repair services to residential real property are being phased out. (See instructions, Form O-88) | | | | |
| | | | | | |
| | TOTAL DEDUCTIONS (Enter here and on Line 8 on the front of this return) | | | 60,000 | 00 |

The Facts For Example 4 Are As Follows:

- This is a taxable renovation to commercial property.
- Tax is paid by the contractors on materials at the time of purchase. (All materials for this job are purchased by the subcontractors.)
- No resale certificates are issued to or accepted by the subcontractors.
- The general contractor will determine the gross receipts from taxable service by multiplying the general contractor's charge for service (tax included) by .943. The tax is determined by subtracting the general contractor's gross receipts for taxable service from the general contractor's charge for service.

SUBCONTRACTOR:

"THE PLUMBER" BILLS THE GENERAL
\$10,000.00 "Tax Included"

Breakdown of subcontractor's books:

| | |
|--------------------------|-------------------------|
| materials purchased | \$4,716.98 |
| tax paid by sub | \$ 283.02 |
| total materials cost | \$5,000.00 |
| sub's charge for service | \$5,000.00 tax included |
| the alternative factor | x .943 |
| sub's charge for service | \$4,715.00 without tax |
| tax on service | 285.00 |

BREAKDOWN OF GENERAL CONTRACTOR'S BOOKS:

SUBCONTRACTS:

| | | |
|----------------|--------------|--|
| Plumber | \$10,000.00* | * Includes tax paid by the subcontractors to their vendors |
| Carpenter | \$70,000.00* | |
| Electrician | \$10,000.00* | |
| Total sub cost | \$90,000.00* | |

General Contractor's Charge

For Service**:

The Alternative Factor x .943

General Contractor's Charge

For Service \$ 9,430.00 without tax

Sales Tax

\$ 570.00

Grand Total: \$100,000.00

** NOTE: See Page 13 for definition of SERVICE.

EXAMPLE 4

General contractor bills owner on a "tax included" basis. No resale certificates issued by general contractor to subcontractors for taxable services.

SUBCONTRACTOR:

"THE CARPENTER" BILLS THE GENERAL
\$70,000.00 "Tax Included"

Breakdown of subcontractor's books:

| | |
|--------------------------|--------------------------|
| materials purchased | \$47,169.81 |
| tax paid by sub | \$ 2,830.19 |
| total materials cost | \$50,000.00 |
| sub's charge for service | \$20,000.00 tax included |
| the alternative factor | x .943 |
| sub's charge for service | \$18,860.00 without tax |
| tax on service | \$ 1,140.00 |

SUBCONTRACTOR:

"THE ELECTRICIAN" BILLS THE GENERAL
\$10,000.00 "Tax Included"

Breakdown of subcontractor's books:

| | |
|--------------------------|-------------------------|
| materials purchased | \$4,716.98 |
| tax paid by sub | \$ 283.02 |
| total materials cost | \$5,000.00 |
| sub's charge for service | \$5,000.00 tax included |
| the alternative factor | x .943 |
| sub's charge for service | \$4,715.00 without tax |
| tax on service | \$ 285.00 |

Subcontractor collects tax from General Contractor in "Tax Included" contract

Subcontractor collects tax from General Contractor in "Tax Included" contract

Subcontractor collects tax from General Contractor in "Tax Included" contract

GENERAL CONTRACTOR

Bills Property Owner

\$100,000.00 tax included

SALES AND USE TAX RETURN

FORM OS-114

General Instructions

1. A RETURN MUST BE FILED even if no tax is due or no sales were made.
2. DUE DATE:
Return is due one month after period ending. Return must be postmarked on or before the due date.
3. DEDUCTIONS: Fill out reverse side of this form if you claim deductions.
4. INTEREST: For late payment - 1% of tax due per month from due date.
5. PENALTY: For failure to pay tax when due - 15% of tax due or \$50, whichever is greater.
6. NEW OWNERS: Do not use previous owner's form to file your return. Any change in ownership requires a new permit.
7. Make check payable to: **COMMISSIONER OF REVENUE SERVICES.**
(Be sure to include the Tax Registration Number on your check.)
FOR COMPLETE INSTRUCTIONS SEE FORM O-88.

For Period Ending

Connecticut Tax Registration Number

For Department Use Only

Please enter any changes to your
name or address below.

New Trade Name:

New Mailing Address:

☐ Please check if change applies to both mailing and
physical address.

New Physical Location (P.O. Box Not Acceptable)

EXAMPLE 4

(GENERAL CONTRACTOR'S RETURN)

| | | | | | |
|----|--|---|----|--------|----|
| 1 | Gross receipts from sales of goods | < | 1 | | |
| 2 | Gross receipts from leases and rentals | < | 2 | | |
| 3 | Gross receipts from labor and services | < | | 99,430 | 00 |
| 4 | Purchases of goods by your business subject to use tax | < | 4 | | |
| 5 | Leases and rentals by your business subject to use tax | < | 5 | | |
| 6 | Purchases of services by your business subject to use tax | < | 6 | | |
| 7 | Total: Add Lines 1 through 6 | < | 7 | 99,430 | 00 |
| 8 | Total deductions: Please complete reverse side and enter amount from Total Deductions here. | < | 8 | 90,000 | 00 |
| 9 | Balance subject to tax: Subtract Line 8 from Line 7, but not less than zero | < | 9 | 9,430 | 00 |
| 10 | Gross amount of tax due: Multiply Line 9 by 6% (.06) | < | 10 | 570 | 00 |
| 11 | Credits: See Form O-88 for instructions | < | 11 | | |
| 12 | Net amount of tax due: Subtract Line 11 from Line 10 | < | 12 | 570 | 00 |
| 13 | For late payment of tax: See General Instructions Interest < _____ + Penalty < _____ = | | 13 | | |
| 14 | Total amount due: Add Line 12 and Line 13 | < | 14 | 570 | 00 |

Please Complete Items Below

If this return is not for a full period, enter dates covered:

From:

To:

If this business has changed ownership since your last return, enter name and address of new owners and date sold:

Name:

Address:

Date Sold:

If this is your first return, please enter business starting date:

If you are out of business, please enter last business date:

I declare under the penalty of false statement that I have examined this return and to the best of my knowledge and belief, it is true, complete and correct.
(The penalty for false statement is imprisonment not to exceed one year or a fine not to exceed two thousand dollars, or both.)

Taxpayer's Signature

Title

Date

Paid Preparer's Signature

Paid Preparer's Address

Date

Deductible Items at 6% Tax Rate

Missing line numbers reflect changes in tax exemptions

| | | | | | |
|----|--|------------------------|----|---------------|-----------|
| 15 | Sales for resale - sales of goods | < | 15 | | |
| 16 | Sales for resale - leases and rentals | < | 16 | | |
| 17 | Sales for resale - labor and services | < | 17 | | |
| 18 | All newspapers and subscription sales of magazines and puzzle magazines | < | 18 | | |
| 19 | Trucks with gross vehicle weight rating over 26,000 lbs. or used exclusively for carriage of interstate freight | < | 19 | | |
| 21 | Food for human consumption, sold through vending machines and any items purchased with food stamps | < | 21 | | |
| 23 | Fuel for motor vehicles | < | 23 | | |
| 24 | Sales of electricity, gas and heating fuel for residential dwellings | FOR UTILITY AND | 24 | | |
| 25 | Sales of electricity - \$150 monthly charge per business | HEATING FUEL COMPANIES | 25 | | |
| 26 | Sales of electricity, gas and heating fuel for manufacturing or agricultural production | ONLY | 26 | | |
| 27 | Aviation fuel | < | 27 | | |
| 29 | Tangible personal property to persons issued Farmer Tax Exemption Permit | < | 29 | | |
| 30 | Machinery, its replacement, repair, component and enhancement parts, materials, tools and fuel for manufacturing | < | 30 | | |
| 31 | Machinery, materials, tools and equipment used in commercial printing process or publishing | < | 31 | | |
| 32 | Machinery, materials, tools and fuel for commercial fishing | < | 32 | | |
| 33 | Out-of-state - sales of goods | < | 33 | | |
| 34 | Out-of-state - leases and rentals | < | 34 | | |
| 35 | Out-of-state - labor and services | < | 35 | | |
| 36 | Motor vehicles or vessels purchased by nonresidents (Attach CERT-125 to OS-114) | < | 36 | | |
| 37 | Prescription medicines - sales of goods | < | 37 | | |
| 38 | Nonprescription medicines and diabetic equipment - sales of goods | < | 38 | | |
| 39 | Charitable or religious organizations - sales of goods | < | 39 | | |
| 40 | Charitable or religious organizations - leases and rentals | < | 40 | | |
| 41 | Charitable or religious organizations - labor and services | < | 41 | | |
| 42 | Federal, Connecticut or municipal agencies - sales of goods | < | 42 | | |
| 43 | Federal, Connecticut or municipal agencies - leases and rentals | < | 43 | | |
| 44 | Federal, Connecticut or municipal agencies - labor and services | < | 44 | | |
| 45 | Items certified for air or water pollution abatement - sales, leases and rentals of goods | < | 45 | | |
| 47 | Nontaxable labor and services | < | 47 | | |
| 48 | Services between wholly owned business entities (See instructions, Form O-88) | < | 48 | | |
| 50 | Trade-ins of all like-kind tangible personal property (See instructions, Form O-88) | < | 50 | | |
| 52 | Taxed goods returned within 90 days at 6% (.06) rate | < | 52 | | |
| 56 | Oxygen, blood plasma, prostheses, etc. - sales, leases, rentals or repair services of goods | < | 56 | | |
| 58 | Printed material for future delivery out of state | < | 58 | | |
| 59 | Articles of clothing or footwear under \$50 | < | 59 | | |
| 60 | Material and components for noncommercial production of clothing | < | 60 | | |
| 63 | Funeral expenses | < | 63 | | |
| 69 | Repair services, repair and replacement parts for aircraft and certain aircraft (See instructions, Form O-88) | < | 69 | | |
| 71 | Certain machinery under the Manufacturing Recovery Act of 1992 (See instructions, Form O-88) | < | 71 | | |
| 72 | Machinery, equipment, tools, supplies and fuel used in the biotechnology industry | < | 72 | | |
| 73 | Repair and maintenance services and fabrication labor to vessels (See instructions, Form O-88) | < | 73 | | |
| 74 | Computer and data processing services (See instructions, Form O-88) | < | 74 | | |
| 75 | Renovation and repair services to residential real property (See instructions, Form O-88) | < | 75 | | |
| 76 | Patient care services by hospitals (See instructions, Form O-88) | < | 76 | | |
| 77 | Sales to direct payment permit holders | < | 77 | | |
| A | Other Adjustments - sales of goods (Describe: Materials consumed including tax paid) | < | A | 60,000 | 00 |
| B | Other Adjustments - leases and rentals (Describe:) | < | B | | |
| C | Other Adjustments - labor and services (Describe: Subcontractor's service) | < | C | 30,000 | 00 |
| | | | | | |
| | NOTE: Line 20 is now part of Line 19; Line 22 is now part of Line 21; Line 46 is now part of Line 45; | | | | |
| | Line 49 is now part of Line 36; Line 57 is now part of Line 56; Line 64 is now part of Line 30. | | | | |
| | | | | | |
| | Computer and data processing services and renovation and repair services to residential real | | | | |
| | property are being phased out. (See instructions, Form O-88) | | | | |
| | | | | | |
| | | | | | |
| | TOTAL DEDUCTIONS (Enter here and on Line 8 on the front of this return) | | | 90,000 | 00 |